Better understanding efforts to reduce the supply of illicit drugs

While member states (MSs) in the European Union (EU) have made considerable strides in collecting useful information about the demand for illegal drugs at the international, national, and subnational levels in Europe, developing indicators that allow for rigorous policy analyses of supply-reduction efforts (e.g., seizures, trafficking arrests) has been considerably slower.

To advance these efforts, the European Commission (EC) commissioned RAND Europe to recommend indicators for improving the understanding of illicit drug markets, supply-reduction efforts, and drug-related crime in the EU. Insights and recommendations were based on data analysis, international meetings with scientific and policy experts, key informant interviews, detailed case studies, results from a survey of forensic labs, literature reviews, and RAND’s previous work on drug markets and drug-related crime.

Key insights
Three key insights emerged from the analysis.

1. Collecting information about purity-adjusted prices is critical to understand the efficacy of supply-reduction strategies. To truly understand what is being traded and to appropriately monitor and analyse illegal drug markets, one must know not just the amount of a drug traded and the amount paid but also the purity of the drug that was traded. If law enforcement agencies successfully reduce supply in a region, drug dealers could respond by raising their prices to account for supply shortages, or they could maintain their current price and dilute the product they sell. If drug dealers do the latter and law enforcement agencies simply examine the raw price per gram, it will look like law enforcement interventions to reduce supply had no effect.

2. MSs have multiple options for collecting purity-adjusted price information. When it comes to collecting such information, one approach is to obtain transaction-level information from law enforcement agencies, either during an undercover drug operation or when undercover law enforcement officials are sent to several different places to see how much of a drug they can purchase for a fixed price, with no intention of making an arrest. In both cases, the price paid and total amount purchased are recorded, and the seized drug is sent to a lab for purity testing. While this approach can yield important information, it may not be feasible for some MSs to collect this information, especially in the short run, because of economic barriers, legal barriers, or both. Another approach is to merge available high-frequency purity information from seized drugs examined in labs with low-frequency (e.g., annual or quarterly) street-level price information to construct purity-adjusted prices. Most MSs collect some information about the unadjusted retail price paid for illicit substances and report this information to the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA). Since many EU countries submit seized drugs to labs for purity testing, acquiring these data would not require a tremendous outlay of resources.

3. MSs can learn more about supply reduction by changing how they report seizure data. Law enforcement seizures can serve a number of goals,
but, for policy purposes, how useful the information is depends on how much information is collected about each seizure and how this information is maintained in databases. Most countries report information about the total number of seizures and the total weight to international organisations. However, this information is of limited value for understanding changes in drug markets and supply-side interventions because it is not clear whether changes in seizures over time reflect strategic responses by drug traffickers, changes in law enforcement effort, or both.

At a minimum, it would be useful to also report information about the median weight seized. That way, it will be possible to determine whether a few large seizures are having a large effect on the statistics. It would be preferable if information about the total number, total weight, median weight, and purity were reported for transactions at different levels of the market. The “weight bins” (e.g., seizures less than or equal to 1 gram, between 1 and 10 grams, between 10 and 200 grams, more than 200 grams) that generally capture the retail, mid-level retail, and wholesale transactions will likely differ by country and substance. But reporting information for specific weight bins will allow law enforcement officials to learn more about whether certain activities are influencing the distribution in typical trades made in the market.

**Recommendations**

In light of these insights and to help prioritise the limited resources available for developing indicators, the study offers 12 recommendations to the EU, MSs, and other European institutions for three general time horizons from the EC’s perspective (see table).

**Recommendations for the immediate short term can be implemented almost immediately and do not require large expenditures. Longer-term ones will likely require more coordination and expenditure.**

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<tr>
<th>Immediate short-term</th>
<th>Near-term</th>
<th>Long-term</th>
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<tr>
<td>• Obtain and analyse existing forensic purity information for illicit substances at national and subnational levels</td>
<td>• Combine forensic lab and police case information to allow for operational analysis (by police) and strategic analysis (by police and policy analysts)</td>
<td>• Regularly collect information about drug prices and other topics from heavy drug users</td>
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<td>• Commission EMCDDA to streamline data reporting requirements for MSs</td>
<td>• Record and analyse information about undercover drug purchases in countries where this occurs</td>
<td>• Collect information about typical quantity consumed by type of drug user</td>
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<td>• Create formal network of researchers, law enforcement officials, forensic scientists, and policymakers to regularly discuss advances and challenges in evaluating supply-side enforcement strategies and creating a pan-European database with detailed information about drug seizures</td>
<td>• Request MSs to report information about seizures to the EMCDDA by weight bins</td>
<td>• At the EU level, standardise definitions of drug-trafficking offences, then involve MSs in tracking these offences for specific drugs</td>
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<td>• Recommend to each MS that it decide whether it wants to measure drug-related crime in that country, and if so, which crimes</td>
<td>• Collect systematic data about what happens after someone is arrested for a drug offence or commits a drug violation while on probation</td>
<td>• Create a pan-European database with detailed information about specific seizures in Europe</td>
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**Further reading:**


This research brief describes work done for RAND Europe and the RAND Drug Policy Research Center documented in *Understanding illicit drug markets, supply-reduction efforts, and drug-related crime in the European Union*, by Beau Kilmer and Stijn Hoorens, eds., TR-755-EC (available at http://www.rand.org/pubs/technical_reports/TR755/), 2010, 221 pp. The other contributing authors were Jonathan Caulkins, Emma Disley, Priscilla Hunt, Susan Kirk, Rosalie Liccardo Pacula, Lila Rabinovich, Sudha Rajmohan, Jennifer Rubin, and Shruti Vasudev. This research brief was written by Paul Steinberg.

**RAND Europe**

Santa Monica, CA • Washington, DC • Pittsburgh, PA • New Orleans, LA/Jackson, MS • Boston, MA • Doha, QA • Cambridge, UK • Brussels, BE

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